

**SKINNER CORPORATION'S
RESPONSES TO THE UNITED STATES ENVIRONMENTAL PROTECTION
AGENCY'S (EPA)
March 9, 2015 104(e) REQUESTS**

Phase I

Fourth and Gamble Parking Lot Site in Anchorage, Alaska

A. INTRODUCTION

This constitutes Skinner Corporation's (Skinner) Phase I responses to the March 9, 2015, 104(e) Information Request from the EPA relating to the property located at the corner of East 4th Avenue and Gambell Street, Anchorage, Alaska (Property). Per the agreement between Skinner and the EPA reflected in an April 13, 2015 email from Grace Hwang of the EPA, Skinner is responding to the questions in the Information Request (Questions) in two phases, with this document containing Skinner's responses to Questions Nos. 1-20, 31-63, and 80-85. Skinner will respond to the remaining Questions per the terms of the agreement reflected in the referenced email.

B. DEFENSES

1. Skinner is Not a Current Owner or Operator of the Property. As described more fully below, Skinner is not a current owner or operator of the Property. The current owner of the Property is Fourth Avenue Gambell LLC f/k/a The Fourth Avenue Gambell Limited Partnership (FGLP).

2. Skinner is Not a Former Owner or Operator of the Property. Skinner never owned or operated the Property. Skinner's wholly owned subsidiary, Northern Commercial Company (NCC), held title to the Property from 1977 until it sold the Property to FGLP in 1979. Skinner was not involved in the management or operations of the Property during NCC's brief period of ownership of the Property.

3. Claims Against the Now Dissolved SC Distribution Co. are Barred. NCC changed its name to SC Distribution Co. effective December 30, 1993, and SC Distribution Co. dissolved effective May 31, 1994. Under the survival statute of the Washington Business Corporations Act, RCW 23B.14.340, for corporations that dissolve prior to June 7, 2006, claims against a dissolved corporation, its directors, officers, or shareholders, whether arising prior to or after dissolution must be brought within two years of the corporation's dissolution. Consequently, all claims against SC Distribution Co. (formerly NCC), Skinner, and their officers and directors expired on May 31, 1996, two years after SC Distribution Co.'s dissolution.

4. Reservation of Rights. Skinner reserves the right to supplement and amend these defenses as additional information becomes available.

C. NOTES RE DOCUMENTS / EXHIBITS

1. **Exhibit A - Index.** In compliance with Instruction No. 5 in the Information Request, attached hereto as **Exhibit A** is an index showing persons and documents that Skinner relied on when responding to each Question.

2. **Exhibit B - Requested Documents.** In compliance with Instruction No. 2 in the Information Request, copies of all documents specifically requested in the Questions are provided in .pdf format on the CD that is attached hereto as **Exhibit B**.

3. **Exhibits C – N.** These exhibits contain documents that were not specifically requested in the Questions but, rather, are referenced by Skinner in its responses to the Questions.

4. **Incorporation of Prior Correspondence.** The February 11, 2014 letter from Skinner's outside counsel, Richard Du Bey, to Kelly Cole, Assistant Regional Counsel for the EPA, and the exhibits thereto are incorporated herein by this reference.

D. OBJECTIONS TO INSTRUCTIONS AND PHASE I INFORMATION REQUESTS

GENERAL OBJECTIONS

1. **Overly Broad Information Requests.** Many of the Questions are overly broad and seek information that is beyond the scope of EPA's authority under Section 104(e)(2) of the CERCLA as the information sought is not relevant under Section 104(e)(2)(A) or (B). Notwithstanding this objection, Skinner provides information and/or documents responsive to the substance of the Questions.

2. **Overly Burdensome Information Requests.** Skinner objects to the extent that Questions are overly burdensome. Notwithstanding this objection, Skinner provides information and/or documents responsive to the substance of the Questions.

3. **Vague and Ambiguous Terms or Phrases.** Skinner objects to the extent that Questions are vague or ambiguous. Notwithstanding this objection, Skinner provides responsive information to the best of its ability. Skinner has relied upon its employees, attorneys and consultants to use their best professional judgment to provide information and/or documents responsive to the substance of the Questions.

4. **Privileged Communications/Information.** Skinner objects to the extent that the Questions seek information and/or documentation subject to attorney client privilege and/or the attorney work product doctrine.

5. **Legal Conclusions.** Skinner objects to Questions that implicitly or explicitly seek a legal conclusion. Notwithstanding this objection, Skinner provides responsive information to the best of its ability. In such instances where legal conclusions are sought or implied, or legal terms of art are used, Skinner's responses

do not admit, agree, or disagree with any legal conclusions. Rather, unless specifically stated, Skinner's responses are solely intended to provide purely factual information responsive to the Questions.

6. Relevance. Skinner objects to the Questions to the extent that information and documents sought do not relate and are not reasonably relevant to the Property and that the Questions are therefore not in accordance with law.

SPECIFIC OBJECTIONS

1. Instruction No. 5. Skinner objects to Instruction No. 5 to the extent that it is unduly burdensome. Instruction No. 5 directs Skinner to identify all persons and documents relied upon in preparation of each response. The preparation of Skinner's responses has been a combined effort by Skinner's employees, attorneys and consultants; included review of thousands of documents; and draws on research conducted over a span of at least eight years.¹ Itemizing each document and person that contributed to the preparation of each individual response would be extraordinarily burdensome. Preparation of these responses is an iterative, interactive and dynamic process and Skinner did not keep a log of every action it took or source it consulted when preparing the responses.

2. Instruction No. 12. Skinner objects to Definition No. 12 to the extent that it attempts to define "you" or "Respondent" to include entities or persons other than Skinner and may seek to require Skinner to respond with regard to information, documents or records that are not within Skinner's possession, custody or control. For example, Skinner objects to questions regarding the activities, operations, and insurance coverage of NCC. As described in Skinner's Response to Notice of Potential Liability dated February 11, 2014, Skinner's involvement with NCC was limited to that of a shareholder. NCC continued to operate as a separate legal entity, with an independent board of directors and separate executive team, after Skinner purchased a controlling share of NCC stock in 1977. Skinner's role in NCC was limited to that of a stockholder and therefore Skinner did not exercise control over NCC's operations and management.

3. Question No. 5: In addition to the General Objections set forth above, Skinner objects to Question No. 5 to the extent that it exceeds the authority granted to EPA pursuant to Section 104(e) of the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. §9604(e). The EPA is authorized to request disclosure of records and information solely related to the following matters: (1) the identification, nature, and quantity of materials which have been generated, treated, stored or disposed of at a facility or transported to a facility; (2) the nature or extent of a release or threatened release of a hazardous substance, pollutant or contaminant at or from a facility; and (3) the ability of a person to pay for or perform a cleanup. CERCLA §104(e)(2)(A-C). Skinner's authority to conduct business

¹ Skinner began reviewing records relevant to this request when it first received notice of its potential liability from the Alaska Department of Environmental Conservation ("ADEC") in January, 2007.

in Alaska and/or Washington is unrelated to identifying, quantifying, or mapping the release of contaminants. Likewise, these business authorizations have no bearing on determining Skinner's ability to pay recovery costs. As such, Question No. 5 is beyond the scope of EPA's authority to seek information under Section 104(e).

4. Question No. 6: In addition to the General Objections set forth above, Skinner objects to Question No. 6 to the extent that it exceeds the authority granted to EPA pursuant to Section 104(e). The EPA is authorized to request disclosure of records and information solely related to the following matters: (1) the identification, nature, and quantity of materials which have been generated, treated, stored or disposed of at a facility or transported to a facility; (2) the nature or extent of a release or threatened release of a hazardous substance, pollutant or contaminant at or from a facility; and (3) the ability of a person to pay for or perform a cleanup. CERCLA §104(e)(2)(A-C). EPA's request for all materials used by Skinner since 1976 to offer and/or promote the acquisition of shares or other interests in Skinner's business exceeds EPA's scope of authority. This information is not "reasonably calculated to lead to information about a release." See EPA, PRP Search Manual §3.3 at 101 (2009) (stating that the agency's "statutory information-gathering authority is broad enough to allow EPA to seek any information reasonably calculated to lead to information about a release"). Prospectuses, brochures, and other printed materials designed to attract shareholders are unrelated to EPA's authority to gather information about: (1) the identification, nature, and quantity of materials which have been generated, treated, stored or disposed of at a facility or transported to a facility; (2) the nature or extent of a release or threatened release of a hazardous substance, pollutant or contaminant at or from a facility; and (3) the ability of a person to pay for or perform a cleanup. CERCLA §104(e)(2)(A-C). Skinner therefore objects to Question No. 6 as being outside EPA's authority to gather information through Section 104(e) information requests.

5. Question No. 45: In addition to the General Objections set forth above, Skinner objects to Question No. 45 to the extent that it is vague, unduly broad and overly burdensome. Question No. 45 seeks "any and all information regarding NCC's business model and operations." This vague and overly-broad request could conceivably encompass almost every business record. Most documents produced in the course of business reveal information, whether directly or indirectly, about some aspect of a business's operations and may very well have nothing to do with the purported purpose of the Information Request - e.g., that have nothing to do with information on the Fourth and Gambell cleanup site.

6. Question No. 50: In addition to the General Objections set forth above, Skinner objects to Question No. 50 to the extent that it is vague, unduly broad and overly burdensome. Question No. 50 seeks "any and all information regarding NC Machinery Co.'s business model and operations." This vague and overly-broad request could conceivably encompass almost every business record. Most documents produced in the course of business reveal information, whether directly or indirectly, about some aspect of a business's operations and may very well have nothing to do

with the purported purpose of the Information Request - e.g., that have nothing to do with information on the Property.

7. Question No. 51: In addition to the General Objections set forth above, Skinner objects to Question No. 51 to the extent that it is unduly broad and overly burdensome. Question No. 51 seeks minutes from every Board of Directors and committee meeting held by NC Machinery Co. from its incorporation to dissolution. This request is not limited in any way to documents relating to the Property and any releases thereon. In contrast to Question No. 48, which is a nearly identical question regarding NCC, Question No. 51 is not constrained to minutes relevant to the Property or its owners and operators in some respect. Question No. 51 calls for production of every meeting minute ever compiled by NC Machinery Co. regardless of its relevance. As such, Skinner objects to Question No. 51 as unduly broad and overly burdensome.

8. Question No. 58: In addition to the General Objections set forth above, Skinner objects to Question No. 58 to the extent that it exceeds the authority granted to EPA under Section 104(e). As provided in Section 104(e)(1), the "authority of [Section 104(e)] may be exercised *only* for the purposes of determining the need for response, or choosing or taking any response action *under this subchapter*, or otherwise *enforcing the provisions of this subchapter*." Since Section 104(e) may only be invoked for these purposes, a necessary predicate for EPA's invocation of Section 104(e) information request authority is the existence of a release or threatened release of hazardous substances that present an imminent and substantial danger to public health or welfare, subject to CERCLA enforcement authority. Question No. 58 exceeds EPA's authority because it seeks information about business activities at "all locations" where Skinner conducted business. EPA has provided no indication that it believes there has been a release or threatened release on any property other than the Property. Without a "reasonable basis" to believe such releases have occurred on Skinner's other properties, EPA wholly lacks legal authority to request the information sought in Question No. 58. See 42 U.S.C. §9604(e)(5)(B).

E. SKINNER'S RESPONSES TO EPA 104(E) INFORMATION REQUEST

Information about Respondent

1. Provide Respondent's full legal name and mailing address.

Skinner Corporation
1326 Fifth Ave., Suite 717
Seattle, WA 98101

2. For each person answering these questions on Respondent's behalf, provide:

The following persons assisted in answering the below questions on behalf of Skinner.

Victoria Childs

Secretary / Treasurer
Skinner Corporation
1326 5th Avenue, Suite 719 Seattle, WA 98101
(206) 623-6486
Business email address. vsc@skinnercorp.com

Richard Du Bey
Russell King
Outside Counsel for Skinner with Short, Cressman & Burgess PLLC
999 Third Ave. Suite 3000
Seattle, WA 98104
(206) 682-3333
Rdubey@scblaw.com
Rking@scblaw.com

3. If Respondent wishes to designate an individual for all future correspondence concerning this Property, please indicate here by providing that individual's name, title, address telephone number, and email address (collectively, "contact information").

Richard Du Bey
Short Cressman & Burgess, PLLC
999 Third Ave. Suite 3000
Seattle, WA 98104
Tel. (206) 682-3333
Email: Rdubey@scblaw.com

4. List all names under which Respondent has ever operated and has ever been incorporated. For each name, provide the following information:

In 1916 Respondent was incorporated under the name "Skinner & Eddy Corporation." In 1947 Skinner & Eddy Corporation changed its name to "Alaska Steamship Company." In 1955, Alaska Steamship Company changed its name to "Skinner Corporation." Documents reflecting these name changes are being produced herewith in **Exhibit B**.

a. whether the company or business continues to exist, indicating the date and means by which it ceased operations (e.g., dissolution, bankruptcy, sale) if it is no longer in business;

Skinner continues to exist.

b. contact information of all registered agents, officers, and operations management personnel; and

Skinner's registered agent in Washington is Victoria Childs, and she can be reached at the address provided for Skinner in response to Question No. 1. Skinner's officers and operations management personnel can be contacted through counsel for Skinner at the address in response to Question No. 3.

c. contact information of all subsidiaries, unincorporated divisions or operating units, affiliates, and parent corporations if any, of Respondent's.

Skinner's subsidiaries, divisions, operating units, and affiliates can be contacted via Victoria Childs at the address provided in the response to Question No.1.

5. Provide all copies of Respondent's authority to do business in Alaska and/or Washington. Include all authorizations, withdrawals, suspensions and reinstatements.

Skinner allowed its authority to conduct business in Alaska to expire in 1995. Copies of the certificate of revocation from the State of Alaska, and a copy of Skinner's 2015 renewal of its authorization to do business in Washington, are being provided herewith in **Exhibit B**.

6. Describe Respondent's business interest(s) from 1976, just prior to the purchase of Northern Commercial Company's ("NCC") machinery and equipment division, until now, including chronological progression and change in interests. Provide all existing prospectus, brochures, or other printed material that has been used from 1976 to the present to offer and/or promote the acquisition of shares or other interest(s) in the business.

By way of clarification, Skinner did not "purchase [the] Northern Commercial Company's ("NCC") machinery and equipment division" in 1976. Rather, Skinner purchased all of the shares of NCC, and that transaction closed on January 3, 1977.

Just prior to its 1977 acquisition of NCC's stock, Skinner operated through two divisions – an investment division and an oil and gas division. Through its investment division, Skinner invested in diverse businesses in several states including soft drink bottling and distribution, hardware wholesaling, professional sports (through an investment in the Seattle Seahawks), and a portfolio of real estate holdings. Through the oil and gas division, Skinner was involved in the exploration and production of oil and gas in Texas, Wyoming and Montana.

As a result of Skinner's acquisition of the stock of NCC, NCC became a wholly owned subsidiary of Skinner and one of the many businesses in which Skinner owned stock. Skinner did not control the operations of NCC, and NCC operated under its own management.

After the sale of the assets of NCC to T&E in 1993, Skinner's business interests were focused on the management of its real estate holdings, real estate development activities, and its investment in the Seahawks.

Since 1976 Skinner has not offered or promoted the acquisition of shares or other interests in Skinner, and thus has no responsive prospectuses, brochures or other printed material.

7. Provide a comprehensive list of all of the Board of Directors and Officers of Respondent's company from the date of incorporation to the present. Include the title(s) of each director or officer as well as the years he or she held each title.

Skinner was incorporated in 1916. Skinner had no involvement whatsoever with the Property prior to its acquisition of the stock of NCC in 1977. NCC was dissolved in 1994. Accordingly, spreadsheets showing the directors and officers of Skinner from 1977 to 1994 are being produced herewith in **Exhibit C**.

In answering this Question, Skinner assumes that the EPA was unaware of Skinner's date of incorporation (1916) and of Skinner's continued existence. Skinner further assumes that it was not the EPA's intention to request lists of directors and officers for Skinner for periods of time decades prior to Skinner's involvement with the Property, or long after the dissolution of NCC. Accordingly, pending clarification from the EPA regarding the scope of this Question, Skinner will forego undertaking the work necessary to compile spreadsheets showing the directors and officers of Skinner from its incorporation in 1916 to 1976, and from 1994 to 2015.

8. Provide a copy of all minutes of the meetings of the Board of Directors, Executive Committee, Finance Committee, Management Committee and all other committees which Respondent has from 1976 to the present that addressed, discussed, or referenced the Property, the tenants of the Property, Fourth Avenue Gambell, LLC, NCC, NCC's subsidiaries, or NCC's affiliates.

Copies of the requested documents are being provided herewith in **Exhibit B**. By way of further answer, Skinner assumes for the purpose of this Question that the reference to "Fourth Avenue Gambell, LLC" also refers to "The Fourth Avenue Gambell Limited Partnership."

9. Provide the contact information of the employee(s) responsible for environmental compliance for Respondent from 1976 to the present. Indicate the years he or she held that title.

Given the nature of Skinner's business interests during the time in question, which consisted primarily of managing investments in other companies and the management of real estate holdings (rather than operating companies and physical assets), and the fact that environmental issues rarely arose, no single Skinner employee was designated as being responsible for environmental compliance on behalf

of the company. Rather, as environmental issues arose, Skinner worked with outside counsel and consultants to ensure that the company complied with applicable environmental rules and regulations. Subject to the above explanation, the Skinner representative who served as the primary point of contact for issues arising from the Property was Skinner's treasurer, Debbie Sokvitne. As of the date of these responses, Skinner is unable to provide current contact information for Ms. Sokvitne.

10. Describe in full detail the involvement Respondent had with the Property prior to the acquisition of NCC in 1976.

Skinner had no involvement with the Property prior to 1976. By way of further answer, Skinner points out that its acquisition of NCC's stock closed on January 3, 1977.

11. Describe in full detail the involvement Respondent had with the Property after the acquisition of NCC in 1976.

Skinner never owned nor operated the Property. Skinner's only involvement with the Property was, first, as the parent company of the owner of the Property and then, later, as a holder of a security interest in the Property. Skinner's involvement with the property began in 1977 when it acquired all of the stock of NCC. At the time that Skinner acquired all of the stock of NCC, NCC already owned the Property. In its capacity as a wholly owned subsidiary of Skinner, NCC held title to the Property from 1977 to 1979. In 1979, NCC sold the Property to FGLP and received a deed of trust as security for payments on a note given by FGLP to NCC. Upon NCC's dissolution in 1994, that security interest was transferred to Skinner. In 2001, the deed of trust NCC received as part of the 1979 sale to FGLP was formally assigned to Skinner. In 2004, Skinner reconveyed that deed of trust to FGLP, thus ending Skinner's involvement with the Property.

12. Provide the contact information of all registered agents, employees, officers, directors, and operations management personnel who were connected with the Property. For each person listed:

See the answer to Question No. 11, which is incorporated herein by this reference. Skinner had no direct "connection" with the Property during the short period of time that its wholly owned subsidiary, NCC, owned the Property. Further, since Skinner sold the assets of NCC to T&E in 1993, Skinner no longer has any records pertaining to the operations of NCC.

Based on the above explanation, Skinner answers as follows: No Skinner "registered agents, employees, officers, directors, and operations management personnel" were connected with the Property." Further, after a reasonable search and inquiry, Skinner has been unable to obtain any information regarding any other person having served as "registered agents, employees, officers, directors, and operations management personnel who were connected with the Property."

a. Describe how that person was connected with the Property or subsidiary (e.g. served as a point of contact, provided advice, oversight, etc. for Respondent's subsidiary NCC, one of NCC's subsidiaries, or one of the tenants at the Property).

See the answer to Question No. 12.

b. Identify if that person visited the Property and if so, when he or she visited the Property, how often, and for what purpose(s).

See the answer to Question No. 12.

c. Identify all meetings and communications which that person participated in or attended regarding the operations of any facility on the Property.

See the answer to Question No. 12.

d. Identify what, if any, reports, statements, or other documents that person wrote or received regarding the operations of any facility on the Property and describe what, if any, information those persons received concerning the operations of those facilities.

See the answer to Question No. 12.

e. Identify all meetings and communications which that person participated in or attended regarding compliance with environmental regulations for the Property or subsidiary.

See the answer to Question No. 12.

f. Identify what, if any, reports, statements, or other documents that person wrote or received regarding compliance with environmental regulations of any facility on the Property and describe what, if any, information those persons received concerning such compliance.

See the answer to Question No. 12.

g. What involvement, if any, did he or she have in selecting the particular means and method of disposal of hazardous substances, generally?

See the answer to Question No. 12.

h. State whether that person approved, authorized, discussed, or had knowledge or awareness of any arrangement to dispose of wastes from any of the facilities on the Property. Describe the nature and extent of such approval, authorization, discussion, knowledge, or awareness.

See the answer to Question No. 12.

i. Did he or she ever direct the workings of, manage, or conduct the affairs of a dry cleaning facility on the Property?

See the answer to Question No. 12.

i. If so, what was the name of the facility? See above.

ii. Did that employee ever make any decisions about the facility's compliance with environmental regulations? See above.

iii. Did the employee ever have conversations relating to leakage or disposal of hazardous waste on the Property? See above.

iv. What involvement, if any, did he or she have in deciding to use or continue to use the Property for disposal of waste materials from the dry cleaning facility? See above.

j. Did he or she ever direct the workings of, manage, or conduct the affairs of a vehicle service center on the Property?

See the answer to Question No. 12.

i. If so, what was the name of the vehicle service center? See above.

ii. Did that employee ever make any decisions about the facility's compliance with environmental regulations? See above.

iii. Did the employee ever have conversations relating to leakage or disposal of hazardous waste on the Property? See above.

iv. What involvement, if any, did he or she have in deciding to use or continue to use the Property for disposal of waste materials from the auto service center? See above.

13. Identify if Respondent has ever been involved in any lawsuit relating to the Property. If so, identify the relevant documents and provide information about the date, circumstances, and outcome of the lawsuit.

In May of 2004, Skinner was named as a defendant in a quiet title lawsuit involving the Property brought by FGLP. That suit was settled in July 2004, and, as part of that settlement, Skinner re-conveyed the deed of trust on the Property to FGLP. The relevant documents are the complaint and reconveyance of the deed of trust, copies of which are being produced herewith in **Exhibit B**.

Information about NC Tire Center

14. Provide the years NC Tire Center operated at the Property.

Skinner did not own or operate the NC Tire Center. NCC sold its tire sales and service stores in 1976 prior to Skinner's acquisition of NCC's stock. Given that sale, and the subsequent sale of the assets of NCC to T&E in 1993, Skinner has no records pertaining to the operations of NCC or the "NC Tire Center."

Based on the above explanation, Skinner answers as follows. After a reasonable search and inquiry, Skinner has no information regarding the years that the "NC Tire Center" operated at the Property.

15. Provide a comprehensive list of all of the managers of NC Tire Center, including the years each manager held that title.

Skinner did not own or operate the NC Tire Center. NCC sold its tire sales and service stores in 1976 prior to Skinner's acquisition of NCC's stock. Given that sale, and the subsequent sale of the assets of NCC to T&E in 1993, Skinner has no records pertaining to the operations of NCC or the "NC Tire Center."

Based on the above explanation, Skinner answers as follows. After a reasonable search and inquiry, Skinner has no information regarding any of the managers of the NC Tire Center.

16. Who owned and operated NC Tire Center? Detail any change(s) in ownership or operation of NC Tire Center during all its years of operation.

Skinner did not own or operate the NC Tire Center. NCC sold its tire sales and service stores in 1976 prior to Skinner's acquisition of NCC's stock. Given that sale, and the subsequent sale of the assets of NCC to T&E in 1993, Skinner has no records pertaining to the operations of NCC or the "NC Tire Center."

Based on the above explanation, Skinner answers as follows. After a reasonable search and inquiry, Skinner has no information regarding any of the owners or operators of the NC Tire Center during all of its years of operation.

17. Respondent stated in its February 11, 2014 letter titled "Response to EPA's January 23, 2014 Notice of Potential Liability for Removal" ("February 2014 letter to EPA") that Northern Commercial Tire Co. was a division of Northern Commercial. Identify and describe, and provide all documents that refer or relate to:

a. When the Northern Commercial Tire Co. division was created and its length of operation.

As an initial matter, the name "Northern Commercial Tire Co." appears in some historical documents, including those attached to the letter referenced above, but Skinner does not have any independent knowledge regarding whether a company with the name "Northern Commercial Tire Co." existed as a separate entity. Skinner's knowledge about the "Northern Commercial Tire Co.'s" status as a division of NCC

comes from representations made by NCC as part of the stock purchase agreement, which included statements to the effect that NCC operated tire sales and service stores as a part of its retail division. Skinner does not know if the information is accurate. Further, NCC sold its tire sales and service stores in 1976 prior to Skinner's acquisition of NCC's stock, and, given that sale and the subsequent sale of the assets of NCC to T&E in 1993, Skinner has no records pertaining to the operations of the "Northern Commercial Tire Co."

Based on the above explanation, Skinner answers as follows. After reasonable search and inquiry, Skinner has no information regarding the activities of Northern Commercial Tire Co. or its relationship to NCC prior to 1977, and it does not know when the Northern Commercial Tire Co. was created or its length of operation.

b. What level of involvement Respondent had managing, directing, or overseeing Northern Commercial Tire Co.

See the answer to the preceding Question, which is incorporated herein by this reference. Skinner had no involvement in "managing, directing, or overseeing Northern Commercial Tire Co."

c. The activities Northern Commercial Tire Co. engaged in.

Skinner did not own or operate Northern Commercial Tire Co. NCC sold its tire sales and service stores in 1976 prior to Skinner's acquisition of NCC's stock. Given that sale and the subsequent sale of the assets of NCC to T&E in 1993, Skinner has no records pertaining to the operations of the Northern Commercial Tire Co.

Based on the above explanation, Skinner answers as follows. After reasonable search and inquiry, Skinner has no information regarding the activities of Northern Commercial Tire Co.

d. Northern Commercial Tire Co.'s management of the operations at NC Tire Center.

Skinner did not own or operate Northern Commercial Tire Co. NCC sold its tire sales and service stores in 1976 prior to Skinner's acquisition of NCC's stock. Given that sale and the subsequent sale of the assets of NCC to T&E in 1993, Skinner has no records pertaining to the operations of the Northern Commercial Tire Co.

Based on the above explanation, Skinner answers as follows. After reasonable search and inquiry, Skinner has no information regarding the activities of Northern Commercial Tire Co. or its management of the operations at NC Tire Center.

18. What is the connection between Northern Commercial Tire Co. and NC Machinery Co.?

Skinner did not own or operate Northern Commercial Tire Co. NCC sold its tire sales and service stores in 1976 prior to Skinner's acquisition of NCC's stock. Given that sale and the subsequent sale of the assets of NCC to T&E in 1993, Skinner has no records pertaining to the operations of the "Northern Commercial Tire Co."

Based on the above explanation, Skinner answers as follows. After reasonable search and inquiry, Skinner has no information regarding the connection, if any, between Northern Commercial Tire Co. and NC Machinery Co.

19. What were the common business practices for environmental compliance at the NC Tire facility? Provide the contact information of the person(s) responsible for environmental compliance at the NC Tire facility. How and when did Respondent obtain this information?

Skinner did not own or operate the NC Tire facility on the Property. NCC sold its tire sales and service stores in 1976 prior to Skinner's acquisition of NCC's stock. Given that sale and the subsequent sale of the assets of NCC to T&E in 1993, Skinner has no records pertaining to the operations or business practices of the "NC Tire facility."

Based on the above explanation, Skinner answers as follows. After reasonable search and inquiry, Skinner has no information regarding the business practices for environmental compliance at the NC Tire facility nor any information regarding the persons responsible for environmental compliance at the NC Tire facility.

20. Identify all hazardous substances that were used, handled, or disposed of at NC Tire Center.

As referenced above, NCC sold its tire sales and service stores in 1976 prior to Skinner's acquisition of NCC's stock. Given that sale and the fact that Skinner subsequently sold the assets of NCC in 1993, Skinner has no records pertaining to the hazardous substances that were used, handled, or disposed of at "NC Tire Center."

Based on the above explanation, Skinner answers as follows. After reasonable search and inquiry, Skinner has no information regarding the hazardous substances, if any, that were used, handled, or disposed of at "NC Tire Center."

In 1993, long after NCC sold the Property to FGLP, Skinner received a report from FGLP that petroleum products were found on the Property near where the former NCC tire and service store had reportedly been located. Soil samples taken during a 1997 subsurface investigation performed in the same vicinity, showed detectable levels of hydrocarbons, metals, and solvents.

* * *

Discovery about Possible Contamination

31. When did Respondent discover that the Property was possibly contaminated? Identify and describe, and provide all documents that refer or relate to:

a. The specific date of discovery.

On or about March 12, 1993 NCC's attorney received a letter from FGLP in which a FGLP representative stated "the property now appears to be contaminated by toxic substances (hydrocarbons) which were discharged into the ground when the property was utilized by Northern Commercial Company as an equipment repair facility in the 1950's or 1960's." On June 23, 1993, NCC d/b/a NC Machinery Co. responded to FGLP's March 12, 1993 letter. In its letter, NCC pointed out that it heard about the supposed contamination for the first time through FGLP's March 12, 1993 letter, and offered to assist FGLP in performing an environmental assessment of the Property. The June 23, 1993, letter from NCC d/b/a NC Machinery Co. to FGLP was blind copied to Skinner's outside counsel. Accordingly, Skinner first learned that FGLP was claiming that the Property was possibly contaminated at some point between March 12, 1993 and June 23, 1993. Copies of the referenced letters are being produced herewith in **Exhibit B**.

b. Whether Respondent was informed by a third party or discovered the state of possible contamination independently. Provide a copy of any correspondence demonstrating the conveyance or discovery of such information.

As reflected in the response to the above Question, Skinner was informed by a third party, NCC d/b/a/ NC Machinery Co., that the Property may have possibly been contaminated. A copy of the June 23, 1993 letter from NCC d/b/a NC Machinery Co. is being produced herewith in **Exhibit B**.

c. The personnel involved.

The June 23, 1993 letter was signed by Kyle Samuels, counsel for NCC d/b/a NC Machinery, Co., and blind copied to Skinner's outside counsel, Richard Du Bey.

d. The reasons the possible contamination was discovered at that point and not earlier.

Skinner does not have any information as to why the possible contamination was discovered in 1993 and not earlier.

32. What actions did Respondent take upon discovering that the Property was possibly contaminated?

a. Identify if any of Respondent's agents, employees, officers, directors, or operations management personnel visited the Property in relation to discovering the possible contamination.

Skinner did not own or operate the Property in the spring of 1993 when it was first informed by NCC that FGLP had raised the issue of the possible contamination of the Property. At that time, Skinner's only interest in the property was as a shareholder of NCC, which held a security interest in the Property. Skinner has no records or information regarding what actions it took upon receiving the copy of the letter from NCC.

b. Identify all meetings and communications that took place regarding the possible contamination on the Property and provide any notes or documentation memorializing the meeting or communication.

Skinner has no record or other information regarding any meetings to discuss the possible contamination. Skinner has copies of the correspondence referenced in the response to Question 31 between NCC d/b/a NC Machinery Co. and FGLP's representatives regarding the possible contamination. Copies of the correspondence are being provided herewith in **Exhibit B**.

c. Identify all meetings and communications Respondent had with NCC, NC Machinery Co., NC Tire Center, and all other affiliates with the Property regarding the discovered possible contamination and provide any notes or documentation memorializing the meetings or communications.

See the response to the prior Question.

d. Identify what, if any, reports, statements, or other documents any of the persons above wrote or received regarding the possible contamination on the Property and describe what, if any, information those persons received concerning the contamination.

See the response to the prior Question.

e. Identify if any of the persons participated in discussions or other communications regarding any decision relating to compliance with environmental regulations after the discovery of possible contamination.

See the response to the prior Question.

33. Respondent stated in its February 2014 letter to EPA that Respondent and Fourth Avenue Gambell, LLC agreed to perform a jointly-funded environmental investigation of the Property. Identify and describe, and provide all documents that refer or relate to:

a. Who initially requested that the investigation be performed.

The agreement to perform a jointly-funded environmental investigation referenced in the February 2014 letter was reached in connection with the 1997 site investigation (not the 1993 report of possible contamination received from FGLP). In 1997, Skinner held a security interest in the Property (it had been transferred to Skinner through the 1994 dissolution of SC Distribution Co. f/k/a NCC), and FGLP was in default under the note. As recalled by Skinner's representatives who were involved in the discussions with FGLP's representatives, Skinner first proposed that the investigation be performed.

b. The specific date the investigation was initially contemplated (if the specific date of the initial contemplation is not known, the earliest date known).

Skinner does not know the specific date the investigation was first contemplated. The earliest written record that specifically references the investigation Skinner has been able to locate, a letter from Skinner's counsel to FGLP's counsel, is dated April 22, 1997. A copy of that letter is being produced herewith in **Exhibit B**.

c. The specific date it was fully decided to conduct the environmental investigation.

Skinner does not know the specific date the parties fully decided to conduct the investigation. The earliest written record that suggests that the parties had reached full agreement is a June 2, 1997 letter between Skinner and FGLP. A copy of that letter is being produced herewith in **Exhibit B**.

d. The particular responsibilities taken on by Respondent and by Fourth Avenue Gambell, LLC.

The particular responsibilities taken on by the respective parties were as follows: Skinner would be responsible for identifying potential consultants who could perform the investigation; FGLP was to sign the contract with the consultant ultimately selected; the parties would share the costs of the consultant; and FGLP would be responsible for arranging for access to the site for the consultant.

e. Any meetings or communications Respondent had with NCC, NC Machinery Co., NC Tire Center, or any other affiliates with the Property regarding the environmental investigation of the Property. Include any decision-making the subsidiaries or affiliates partook in.

The above referenced communications and decision-making regarding the environmental investigation occurred in 1997 – 3 years after NCC and NC Machinery Co. were dissolved and 21 years after NCC sold its tire sales and service stores. Accordingly, Skinner did not have any meetings or communications with NCC, NC Machinery Co., or NC Tire Center regarding the environmental investigation. Further, Skinner has no record or information that any of its subsidiaries or affiliates partook in

any decision-making regarding the environmental investigation or were involved in any meetings or communications regarding the investigation in 1997.

34. When did NCC discover that the Property was possibly contaminated?

NCC d/b/a NC Machinery Co. was first advised of possible contamination on the Property when it received a letter from FGLP on or about March 12, 1993.

35. When did Northern Commercial Tire Co. discover that the Property was possibly contaminated?

As referenced above, NCC sold its tire sales and services stores, presumably including Northern Commercial Tire Co., in 1976, prior to Skinner's acquisition of the stock of NCC. Accordingly, Skinner has no records or information showing when or if Northern Commercial Tire Co. discovered that the Property was possibly contaminated.

36. When did NC Machinery Co. discover that the Property was possibly contaminated?

NC Machinery Co. was both a d/b/a of NCC and a separate Washington corporation that had no assets and conducted no business. In its capacity as a d/b/a of NCC, NC Machinery Co. was first advised of possible contamination on the Property at the same time as NCC – i.e. through the March 12, 1993 letter from FGLP. Skinner has no records or information showing when NC Machinery Co. in its capacity as a Washington corporation discovered the Property was possibly contaminated.

37. Respondent stated in its February 2014 letter to EPA that on December 18, 1993, Northern Commercial sold the vast majority of its assets to Tractor & Equipment, Co.

- a. Respondent provided Exhibit N, the Purchase and Sale of Assets from Northern Commercial to Tractor & Equipment, Co., which states on paragraph 1.2(a) that the Real Property listed on Schedule 1.2(a) is excluded from the Assets. Please provide a copy of Schedule 1.2(a). What were the properties excluded from the transfer to Tractor & Equipment?**

A copy of the referenced schedule 1.2(a) containing the requested information is attached hereto as **Exhibit D**.

- b. What were all of the reasons behind the sale to Tractor & Equipment?**

As reflected in a September 1992 letter from NCC to its employees, the assets of NCC were sold because the board of directors of NCC's sole shareholder, Skinner, had concluded that "Skinner Corporation's investment in N C Machinery Co. [was] not compatible with the needs of its changing and diverse shareholder group." A copy of the referenced letter is attached hereto as **Exhibit E**.

38. Respondent stated in its February 2014 letter to EPA that on December 30, 1993, SC Distribution Co. held the assets of the former Northern Commercial that were not included in the asset sale to the Tractor & Equipment, Co. Describe in full detail those assets that SC Distribution Co. held on December 30, 1993.

On December 30, 1993, SC Distribution Co. held all of NCC's assets that had not been sold to T&E through the asset purchase transaction that closed the same day. Those assets are listed in section 1.2 of the 1993 asset purchase agreement. This happened as follows. The asset purchase transaction between NCC and T&E closed on December 30, 1993. Certain assets (i.e. those listed in section 1.2 of the asset purchase agreement) were not included in that transaction and were retained by NCC at closing. On that same date, December 30, 1993, NCC changed its name to SC Distribution, Co. Thus, the assets held by SC Distribution Co. on December 30, 1993 are those assets listed in section 1.2 of the asset purchase agreement. A copy of the referenced section of the asset purchase agreement is attached hereto as **Exhibit F**.

39. Respondent stated in its February 2014 letter to EPA that SC Distribution Co. dissolved on May 31, 1994 and began winding down its affairs.

a. What were all of the reasons behind the decision to dissolve?

SC Distribution Co. was never meant to be an operating company, but rather, an entity to hold the assets of NCC that were not sold to T&E. As its name implies, SC Distribution Co. was to hold those assets until they were distributed, which is what happened through the May 31, 1994 resolution of the SC Distribution Co. board which provided for the transfer of all of the company's assets to its sole shareholder, Skinner. After the assets were distributed there was no reason to maintain SC Distribution Co. as a company so it was dissolved.

b. When did SC Distribution Co. initially contemplate dissolution (if the specific date of the initial contemplation is not known, the earliest date known)?

SC Distribution Co.'s dissolution was contemplated as part of the sale of NCC 's assets to T&E. The terms of that sale were finalized on or about December 18, 1993, which would reflect the earliest known date that the dissolution was contemplated. A copy of the 1993 Asset Purchase Agreement between NCC and T&E is attached hereto as **Exhibit L**.

c. Describe in full detail all winding up tasks SC Distribution Co. conducted between May 31, 1994 and when SC Distribution permanently terminated its corporate existence. Provide all documents and correspondence reflecting the business and affairs undertaken by SC Distribution Co. as a dissolved corporation.

It is not clear what the term "permanently terminated" means in the context of this Request. Under the Washington Business Corporations Act (the "Act"), a dissolved corporation is authorized to wind down its affairs, including transferring its assets. The Act establishes no deadline or time limit within which the winding down process must be completed, and there is no provision in the Act for the "permanent termination" of a corporation. In the case of SC Distribution Co, on May 31, 1994, its shareholder adopted a resolution dissolving the corporation and distributing all of the assets of the corporation to its sole shareholder, Skinner. On June 28, 1994, SC Distribution Co. filed articles of dissolution with the Washington Secretary of State's Office and obtained a Certificate of Dissolution from that same office. The last action taken by SC Distribution Co. as part of its winding down process was the March 2, 2001 assignment of the deed of trust to Skinner. The documents reflecting these activities are being produced herewith in **Exhibit B**. The foregoing dissolution and winding up process complies with the Act.

- d. Provide all documents and filings demonstrating SC Distribution Co. 's continued corporate existence from May 31, 1994 until SC Distribution permanently terminated its corporate existence, including corporate filings, lists of its Board of Directors, and all minutes of the meetings held by SC Distribution Co. during that time period.**

See the response to the preceding Request. The referenced documents are being produced herewith in **Exhibit B**.

- e. If SC Distribution Co. did not engage in any winding up activity after May 31, 1994 until March 2, 2001 with the Assignment of Deed of Trust to Respondent, describe in full detail how SC Distribution Co. did not permanently dissolve in the interim or was reconstituted in order to sign the Assignment of Deed of Trust on March 2, 2001.**

See the response to Request No. 39.c. SC Distribution Co. was not "reconstituted" in order to sign the referenced assignment.

- f. When did SC Distribution Co. fully wind up? Include any documents, public notices, or filings demonstrating the termination of SC Distribution Co.'s corporate existence.**

It is not clear what is meant by the "termination of SC Distribution Co.'s corporate existence." The most recent act undertaken by SC Distribution Co. as part of its winding down process was the March 2, 2001 assignment of the deed of trust.

40. Did NC Machinery Co. dissolve on June 27, 1994? If not, when did NC Machinery Co. dissolve?

N C Machinery Co. dissolved on May 31, 1994. It filed its articles of dissolution with the Washington Secretary of State's Office and obtained a Certificate of Dissolution

on June 28, 1994. Copies of the articles of dissolution and Certificate of Dissolution are provided herewith as **Exhibit M**.

a. What assets did NC Machinery Co. hold at the time of d'ssolution?

N C Machinery Co. had no assets when it was dissolved.

b. Where were the assets distributed at the time of dissolution?

Please see the response to preceding Request.

c. What were all of the reasons behind the decision to dissolve?

As referenced above, NC Machinery Co. was both a d/b/a of NCC and a separate Washington corporation. As a Washington corporation, NC Machinery Co. conducted no business and it had no assets. After the sale of NCC's assets to T&E, which included the sale of the trade name "NC Machinery, Co." to T&E, there was no reason to maintain NC Machinery Co. as a separate corporation, so it was dissolved.

d. When did NC Machinery Co. initially contemplate dissolution (if the specific date of the initial contemplation is not known, the earliest date known)?

NC Machinery Co.'s dissolution was contemplated as part of the sale of NCC 's assets to T&E. The terms of that sale were finalized on or about December 18, 1993, which would reflect the earliest known date that the dissolution was contemplated

e. When did NC Machinery Co. fully wind up? Include any documents, public notices, or filings demonstrating the termination of NC Machinery Co.'s corporate existence.

As it had no assets to distribute, the last act that NC Machinery Co. engaged in as part of its winding down process was to file the articles of dissolution on June 28, 1994.

Information about Subsidiaries

41. Describe the relationship between the following parties:

a. Respondent and NCC

From January 3, 1977, until it was dissolved on May 31, 1994, NCC was a wholly owned subsidiary of Respondent, Skinner Corporation.

b. Respondent and NC Machinery Co.

NC Machinery Co. was a d/b/a of NCC, which was, in turn, a wholly owned subsidiary of Respondent, Skinner Corporation during the time period 1977 to 1994. NC

Machinery Co. was also a separate Washington corporation from 1959 to 1994. As a corporation, it conducted no business and held no assets. In its capacity as a separate Washington corporation, N C Machinery Co. was a wholly owned subsidiary of NCC from 1977 until its dissolution in 1994.

c. Respondent and NC Tire Center

There was no relationship between Respondent and NC Tire Center.

d. NCC and NC Machinery Co.

From 1977 to 1994, NC Machinery Co. was a d/b/a of NCC. In its capacity as a separate corporation, NC Machinery Co. was a wholly owned subsidiary of NCC from 1977 to 1994.

e. NCC and NC Tire Center

As NCC sold its tire sales and service stores prior to Skinner's acquisition of NCC's stock, Skinner's sole source of information regarding the relationship between NCC and NC Tire Center is the information provided by NCC as part of that transaction. That information includes statements to the effect that NCC operated tire sales and service stores, which presumably included the NC Tire Center, and that those stores were operated as a retail division of NCC. Skinner is not able to confirm the accuracy of the information provided by NCC.

42. Has Respondent ever operated under the name NCC (whether as NCC or SC Distribution Co.)? If so, describe in full detail and include any and all documents demonstrating instances whereby Respondent made representations that it was NCC.

No

43. Has Respondent ever operated under the name NC Machinery Co.? If so, describe in full detail and include any and all documents demonstrating instances whereby Respondent made representations that it was NC Machinery Co.

No

44. Has Respondent ever operated under the name NC Tire Center? If so, describe in full detail and include any and all documents demonstrating instances whereby Respondent made representations that it was NC Tire Center.

No

45. Provide any and all information regarding NCC's business model and operations.

A history of NCC's operations prior to Skinner's acquisition of all of the company's stock in 1977, including a description of how the company sold its retail tire operations prior to that acquisition, can be found in Exhibit A to the December 11, 1976 tender offer made to NCC's shareholders. A copy of that document, which was produced by NCC, is attached hereto as **Exhibit G**. After Skinner's acquisition of the stock of NCC, NCC operated as a dealer for Caterpillar, Inc. and provided a complete line of Caterpillar equipment and related maintenance and repair services in Alaska and Washington. NCC also sold and serviced certain equipment complementary to the Caterpillar line.

46. How did Respondent classify NCC under its annual reports from 1976 through 2001? Specify if and when the classification(s) changed and include an explanation for the change(s).

Skinner's annual reports to the State of Washington do not require the reporting of any information regarding subsidiaries. Accordingly, Skinner's annual reports for the referenced period do not mention NCC.

47. Provide a comprehensive list of all of the Board of Directors and Officers of NCC from the date of incorporation to May 31, 1994, the date of dissolution. Include the title(s) of each employee as well as the years he or she held each title.

NCC was incorporated in 1947. Skinner had no involvement whatsoever with NCC prior to its acquisition of the stock of NCC in 1977. NCC was dissolved in 1994. Accordingly, spreadsheets showing the directors and officers of NCC from 1977 to 1994 are attached hereto as **Exhibit H**.

In answering this Question, Skinner assumes that the EPA was unaware that NCC was incorporated in 1947 and that Skinner had no interest in the company until it acquired the stock of NCC in 1977. Skinner further assumes that it was not the EPA's intention to request lists of directors and officers for NCC for periods of time decades prior to Skinner's involvement with NCC. Accordingly, pending clarification from the EPA regarding the scope of this Question, Skinner will forego undertaking the work necessary to compile spreadsheets showing the directors and officers of NCC from its incorporation in 1947 to 1976 and from 1994 to the present.

48. Provide a copy of all minutes of the meetings of NCC's Board of Directors, Executive Committee, Finance Committee, Management Committee and all other committees which Respondent has from the date of NCC's incorporation to the date of dissolution that addressed, discussed, or referenced Respondent, the Property, the tenants of the Property, Fourth Avenue Gambell, LLC, NCC's subsidiaries that were connected to the Property, or NCC's affiliates that were connected to the Property.

Copies of responsive meeting minutes are being produced herewith in **Exhibit B**.

49. Provide the contact information of the employee(s) responsible for environmental compliance at NCC from its date of incorporation to the date of dissolution. Indicate the years he or she held that title.

In 1993 the assets of NCC were sold to T & E. As part of that transaction, NCC conveyed all of its books and records to T & E. In 1994 NCC was dissolved. As a result of the asset sale and the dissolution of NCC, Skinner has no records pertaining to the operations of NCC.

Based on the above explanation, Skinner answers as follows. After a reasonable search and inquiry, Skinner has no information regarding the contact information of any of NCC's "employee(s) responsible for environmental compliance at NCC" prior to Skinner's acquisition of the stock of NCC in 1977. Skinner believes, but cannot confirm, that the person responsible for environmental compliance at NCC after 1977 was Darryl Rootvik. Skinner further believes that from 1989 to the dissolution of the company in 1994, Lynn Laszewski also served in that capacity for NCC. As of the date of this response, Skinner is unable to locate contact information for Mr. Rootvik or Ms. Laszewski.

50. Provide any and all information regarding NC Machinery Co.'s business model and operations.

As a d/b/a of NCC, NC Machinery Co.'s business model and operations were the same as NCC's. For information regarding NCC's business model and operations, please see Skinner's response to Question No. 45. In its capacity as a separate Washington corporation, NC Machinery did not conduct any business (other than annual meetings to preserve its corporate form) or have any operations.

51. Provide a comprehensive list of all of the Board of Directors and Officers of NC Machinery Co. from the date of incorporation to the date of dissolution. Include the title(s) of each employee as well as the years he or she held each title.

As a d/b/a of NCC, NC Machinery Co. did not have directors and officers. In its capacity as a separate corporation, NC Machinery Co. did have directors and officers.

Based on the above explanation, Skinner responds as follows. NC Machinery Co. was incorporated in 1959. Skinner had no involvement with NC Machinery Co. prior to Skinner's acquisition of the stock of NCC in 1977. Accordingly, a spreadsheet showing the directors and officers of NC Machinery Co. from 1977 until the year the company was dissolved, 1994, is attached hereto as **Exhibit I**.

In answering this Information Request, Skinner assumes that the EPA was unaware of NC Machinery's date of incorporation (1959). Skinner further assumes that it was not the EPA's intention to request lists of directors and officers for NC Machinery Co. for periods of time decades prior to Skinner's involvement with the company or the Property. Accordingly, pending clarification from the EPA regarding the scope of this request, Skinner will forego undertaking the work necessary to compile spreadsheets

showing the directors and officers of NC Machinery Co. from its incorporation in 1959 to 1977.

52. Provide a copy of all minutes of the meetings of the Board of Directors, Executive Committee, Finance Committee, Management Committee and all other committees which Respondent has from the date of NC Machinery Co's incorporation to the date of dissolution.

As a d/b/a of NCC, NC Machinery Co., was not incorporated and did not keep separate meeting minutes. In its capacity as a separate Washington corporation, NC Machinery Co. did keep meeting minutes and such minutes for the time period 1977 to 1994 are being produced herewith in **Exhibit B**.

In answering this Question, Skinner assumes that the EPA was unaware of NC Machinery Co.'s date of incorporation (1959). Skinner further assumes that it was not the EPA's intention to request meeting minutes for NC Machinery Co. for periods of time decades prior to Skinner's involvement with the company or the Property. Accordingly, pending clarification from the EPA regarding the scope of this request, Skinner will forego undertaking the work necessary to compile the meeting minutes for NC Machinery Co. from its incorporation in 1959 to 1976.

53. Provide the contact information of the employee(s) responsible for environmental compliance at NC Machinery Co. from its date of incorporation to the date of dissolution. Indicate the years he or she held that titles.

As a d/b/a of NCC, NC Machinery Co. did not have employees. In its capacity as a separate Washington corporation, NC Machinery Co. did not conduct any business or any operations, and it did not have any employees.

54. Provide copies of exhibits R, S, T, and U referenced on page SC-EPA000064 of Exhibit E-2 of Respondent's February 11, 2014 letter to EPA. Provide confirmation that the contents of those exhibits includes a comprehensive list of all of the directors and officers from NCC from 1988 through 1994.

Copies of the referenced documents are being produced herewith in **Exhibit B**. The referenced documents include a comprehensive list of the directors and officers of NCC from 1988 through 1994.

55. Respondent stated on its February 2014 letter to EPA that it purchased all of the issued and outstanding stock of NCC on December 30, 1976 and January 3, 1977 and became the sole shareholder of record. Exhibit K, the Stock Purchase Agreement between Respondent and Northern Commercial Company, details that NCC sold 82% of the common stock outstanding (16,889 shares) to Respondent. Who owned the 18% common stock outstanding that was not sold to Respondent within that sales agreement?

Skinner purchased 100% of the issued and outstanding shares of NCC. Through the stock purchase agreement referenced in this Question, NCC purchase 82% of the shares (equaling 16,889 shares) from shareholders that owned more than 200 shares each. At the time of the transaction, 18% of NCC's shares (equaling 3,639 shares) were held by shareholders that owned fewer than 200 shares each. Skinner acquired those shares through a direct tender offer to those shareholders. Copies of the Stock Purchase Agreement and documents showing the purchase of the 18% of the stock from the small shareholders are provided herewith as **Exhibits J and N**.

56. Provide copies of all of the exhibits to Exhibit K, the Stock Purchase Agreement between Respondents and Northern Commercial Company.

The referenced Exhibit K was a two page document with no exhibits. A copy of Exhibit K is provided herewith in **Exhibit B**.

57. What business did Respondent conduct just prior to the 1976 transfer of stock and the termination of NCC's franchise to Caterpillar? What products or services did Respondent provide during that time?

Just prior to its 1977 acquisition of NCC's stock Skinner operated through two divisions – an investment division and an oil and gas division. Through the investment division, Skinner invested in diverse businesses including soft drink bottling and distribution, hardware wholesaling, professional football (through an investment in the Seattle Seahawks), and a portfolio of real estate holdings. Through the oil and gas division, Skinner was involved in the exploration and production of oil and gas in Texas, Wyoming and Montana.

The products and services Skinner provided included oil and gas, and real estate management services.

58. Where did Respondent conduct its business(es) just prior to the 1976 transfer? List all locations and the respective activit(ies) conducted at each location.

Prior to 1976, Skinner's investment activities were conducted from its offices in Seattle, Washington.

Prior to 1976, Skinner's oil and gas exploration and production took place in Texas, Wyoming, and Montana.

Prior to 1976, Skinner owned and managed real estate in Alaska, Washington, and Hawaii.

59. Exhibit K of Respondent's February 11, 2014 letter to EPA included in Section 2.02 "Purchaser's Prospective Relationship with Caterpillar" an opportunity for Respondent to become Caterpillar's authorized franchisee if certain conditions were met. Did Respondent become Caterpillar's authorized franchisee for Alaska

and Western Washington? If so, identify and describe, and provide all documents that refer or relate to:

Prior to Skinner's acquisition of NCC' stock, Skinner and Caterpillar signed a letter of intent which reflected Caterpillar's intention to award the franchise to Skinner but, Skinner did not become Caterpillar's authorized franchisee in Alaska and Washington. Ultimately, NCC became Caterpillar's authorized franchisee. Documents reflecting this sequence of events are being produced herewith in **Exhibit B**.

a. The conditions for Caterpillar's acceptance of Respondent as its authorized franchisee.

See the response to the preceding Question. Skinner was not Caterpillar's authorized franchisee, NCC was.

b. Caterpillar's acceptance of Respondent as its authorized franchisee.

See the response to the preceding Question. Skinner was not Caterpillar's authorized franchisee, NCC was.

c. The details of Respondent's franchise with Caterpillar.

See the response to the preceding Question. Skinner was not Caterpillar's authorized franchisee, NCC was.

d. Whether Respondent used NCC facilit(ies) for its Caterpillar franchise after the 1976 transfer. If Respondent did not, where did Respondent conduct its newly acquired Caterpillar franchise after the 1976 transfer? If Respondent did use NCC's facilit(ies), where were the facility(ies) located? List all locations and the respective activit(ies) conducted at each location.

See the response to the preceding Question. Respondent did not use NCC's facilities for the Caterpillar franchise.

60. Who were Respondent's creditors just prior to the 1976 transfer?

Just prior to its acquisition of NCC's stock, Skinner had a banking relationship with and loans from Bank of California.

a. Did Respondent acquire any new creditors as a result of the 1976 transfer?

Skinner did not borrow money to complete the acquisition of the stock of NCC. As part of Skinner's acquisition of NCC's stock, Skinner agreed to pay 75% of the purchase price for the stock of the large shareholders of NCC (defined as those owning over 200 shares in NCC) through equal payments (plus interest) over seven years.

61. What trade names were used by Respondent just prior to the 1976 transfer?

Skinner Corporation

a. Did Respondent utilize any new trade names as a result of the 1976 transfer?

No.

62. What books or records were passed on to Respondent as a result of the 1976 transfer?

As the referenced "transfer" was a stock purchase agreement (and not an asset purchase) NCC retained the bulk of its own files and records, including all of its operation records. Per paragraph 6.07 of the stock purchase agreement, NCC delivered to Skinner its "corporate minute books, certificates of incorporation, bylaws and stock records of NC and the Subsidiaries." A copy of the stock purchase agreement is provided hereto as **Exhibit J**.

63. What business did NCC conduct after the 1976 transfer? What products or services did NCC provide after the 1976 transfer?

After Skinner's acquisition of the stock of NCC, NCC operated as a dealer for Caterpillar, Inc. and provided a complete line of Caterpillar equipment and related maintenance and repair services in Alaska and Washington. The Company also sold and serviced certain equipment complementary to the Caterpillar line.

a. What equipment, if any, did NCC retain?

Since the 1977 transaction with Skinner was a stock purchase and not an asset purchase, NCC retained all of the assets, including its equipment, that it had prior to the transaction. Given the subsequent sale of NCC's assets to T&E, which included all of NCC's books and records, Skinner has no records showing what equipment NCC retained after the 1977 stock purchase.

Based on the above explanation, Skinner answers as follows. After a reasonable search and inquiry, Skinner has no information regarding the equipment retained after the 1977 transaction whereby Skinner acquired the stock of NCC.

b. What assets, if any, did NCC retain?

Since the 1977 transaction with Skinner was a stock purchase and not an asset purchase, NCC retained all of the assets it had at the time of the transaction. Given the subsequent sale of NCC's assets to T&E, which included all of NCC's books and records, Skinner has no records showing what assets NCC retained after the 1977 stock purchase.

Based on the above explanation, Skinner answers as follows. After a reasonable search and inquiry, Skinner has no information regarding the assets retained after the 1977 transaction whereby Skinner acquired the stock of NCC.

c. What creditors, if any, did NCC retain?

Given the 1993 sale of NCC's assets to T&E, which included all of NCC's books and records, Skinner has no records showing what creditors NCC retained after the 1977 stock purchase.

Based on the above explanation, Skinner answers as follows. After a reasonable search and inquiry, Skinner has no information regarding the creditors, if any, NCC retained after the 1977 stock purchase transaction.

d. What trade names, if any, did NCC retain?

Since the 1977 transaction with Skinner was a stock purchase and not an asset purchase, NCC retained all of the assets, including its trade names, that it had prior to the transaction. This included retaining the trade names NC Machinery, NC Marine, and D-bug.

Environmental Investigation Performed by Respondent

80. Respondent stated in its February 2014 letter to EPA that the 1998 Initial Site Characterization Report was performed in order to allow Respondent to evaluate the value of its security interest. Respondent states that the security interest was conveyed through an assignment of a Deed of Trust from SC Distribution Co. to Respondent on March 2, 2001, but asserts that the assignment merely reflected what occurred by operation of law when SC Distribution Co. dissolved on May 31, 1994. Describe how Respondent obtained the security interest in the Property by operation of law. Include any public records on file demonstrating Respondent's lien on the Property after May 31, 1994. If Respondent has no public records demonstrating the existence of such lien on the Property, please provide in full detail the statutory or regulatory provisions that created Respondent's property interest in the Property in 1994.

Skinner obtained a security interest in the Property as follows. In 1979, Skinner's wholly owned subsidiary, NCC, sold the Property to FGLP. As part of that transaction, FGLP gave NCC a deed of trust note and a deed of trust in NCC's favor as security for payments due under the note. In 1993, before FGLP paid off the note, NCC sold almost all of its assets to T&E. Per section 1.2(f) of the 1993 asset purchase agreement between NCC and T&E, the Note Receivable from the 1979 FGLP transaction was one of the assets that was expressly excluded from the sale to T & E, and it therefore remained an asset of NCC. On December 30, 1993, NCC changed its name to SC Distribution Co. On May 31, 1994, SC Distribution Co. adopted a resolution dissolving the company and transferring all of its assets to its sole shareholder, Skinner. As a result of the May 31, 1994, transfer, the Note Receivable from the 1979 FGLP

transaction was transferred to Skinner. The formal assignment of the deed of trust dated March 2, 2001, merely memorialized and gave effect to the SC Distribution Co. prior transfer of the Note Receivable from SC Distribution Co. to Skinner. On August 8, 2004 the assignment of the deed of trust was recorded. A copy of that recorded assignment is provided herewith in **Exhibit B**.

81. Respondent stated in its February 2014 letter to EPA that the assignment of the Deed of Trust was executed to provide adequate assurances to the third party prospective assignee that Respondent had the authority to enter into the transaction. Provide the dates Respondent and the third party prospective assignee engaged in discussions regarding the assignment of the security interest and describe the circumstances that led to the assignee requesting these assurances.

In March of 2001 Skinner was exploring the possibility of selling its security interest in the Property. As part of that process, Skinner concluded that the deed of trust that had previously been transferred to it from SC Distribution Co. on May 31, 1994, would need to be assigned to it so that it could market the deed of trust. During the latter half of 2001 Skinner had discussions with potential purchasers, including Diamond Parking, but it did not ultimately sell the deed of trust interest.

82. Respondent stated in its February 2014 letter to EPA that Environmental Project Management, Inc. (EPMI) was contracted by Respondent on July 28, 1997 to conduct an investigation of potential environmental issues for Lots 8A, 10, 11, and 12 ("1997 site investigation"). Identify and describe, and provide all documents that refer or relate to:

- a. All persons, including the persons' titles and departments/offices, directly involved with the decision to enter into the July 28, 1997 contract. Include and separately identify the persons who signed the contract.**

The contract was signed on behalf of Skinner by Debra Sokvitne, the company's treasurer. A copy of the signed contract is provided herewith in **Exhibit B**. Ms. Sokvitne and Skinner's outside counsel, Michael P. O'Connell, were involved in the decision to enter into the contract.

- b. The scope of the contract work, including the terms and conditions of the contract, the duration of the investigation, and the responsibilities of each party. Include any approval requirements Respondent placed on EPMI's activities or decision making control Respondent had over EPMI.**

A copy of the contract with the requested information is provided herewith in **Exhibit B**.

- c. Any amount paid by Respondent, or other persons referred to above in connection with the contract, the method of payment, and the identity of**

the persons involved. Please provide any contacts, written agreements, or documentation reflecting the terms of the agreement.

A copy of the contract with the requested information is provided herewith in **Exhibit B.**

- d. At the time Respondent signed the contract, what did Respondent intend to happen to any hazardous substances that might be uncovered? Please provide any contracts, written agreements, and/or other documentation reflecting the intention of the parties. If Respondent does not have such documents, please so state and include the contact information of the persons from whom such documents may be obtained.**

Skinner has no information regarding what its intentions were regarding any hazardous substances that might be uncovered, nor does it have any information regarding any contracts or other documents reflecting its intention vis-à-vis any hazardous substances that might be uncovered.

83. Provide the contact information of any individuals, including former and current employees, who may be knowledgeable of EPMI's operations and hazardous substances handling, storage and disposal practices.

Skinner's point of contact at EPMI was Mike Lester. The last known address Skinner has for Mr. Lester is c/o of EPMI 2109 S. Eagleson Rd., Boise, Idaho 83705-3620; Tel. (208) 323-0946.

84. Did EPMI dispose of any drums which were discovered during the 1997 site investigation? If so, identify and describe, and provide all documents that refer or relate to:

Skinner has no information regarding any drums discovered during the 1997 investigation having been removed or disposed of from the Property.

- a. The markings on and type, condition and number of drums at the time of discovery.**

Per page 7 of the EPMI report, four empty drums were found on the property and they were marked "by the manufacturer for use in dry cleaning." Skinner has no more information about the empty drums. A copy of the referenced report is provided herewith as **Exhibit K.**

- b. The nature, including the chemical content, characteristics, physical state (e.g., solid, liquid) and quantity (volume and weight) of the existing and/or prior contents of the drums.**

Per page 7 of the EPMI report, the drums were empty. Skinner has no more information about the empty drums.

c. When EPMI informed Respondent of the discovery of the drums.

- i. At the time Respondent were informed, what did Respondent intend to happen to the drums? Please provide any contracts, written agreements, and/or other documentation reflecting the intention of the parties. If Respondent does not have such documents and/or materials, please so state and include the contact information of the persons from whom such documents may be obtained.

Skinner has no information regarding what its intentions were at the point in time that it was informed of the existence of the drums, nor does it have any information regarding any contracts or other documents reflecting its intention vis-à-vis the drums or the intentions of any other parties.

d. The person(s) who made the decision to dispose or remove of the drums. What was the reasoning behind the decision?

The EPMI report does not reference the drums being removed from the site. Skinner has no information that indicates that the drums were removed from the Property or disposed of.

e. The person(s) who selected the location where the drums were to be disposed or treated.

The EPMI report does not reference the drums being removed, disposed of, or treated. Skinner has no information that indicates that the drums were removed from the Property, treated or disposed of and thus has no information regarding where the drums were to be disposed or treated.

f. The precise location, address, and name of the facility where disposal, treatment, unloading, management, and/or handling of the drums occurred. Provide the official name of the facility and a description of the facility where each drum was actually disposed or treated.

The EPMI report does not reference the drums being removed, disposed of, or treated. Skinner has no information that indicates that the drums were removed from the Property, treated, or disposed of.

g. If the location or facility of such disposal, treatment, unloading, management and handling was a different location or facility than what was originally intended, please provide all documents that relate and/or refer to why the drums came to be located at the different location or facility.

The EPMI report does not reference the drums being removed, disposed of, or treated. Skinner has no information that indicates that the drums were removed from the Property, treated, or disposed of.

h. All intermediate sites where the drums involved were transshipped, or where they were stored or held, any time prior to final treatment or disposal.

The EPMI report does not reference the drums being removed, disposed of, or treated. Skinner has no information that indicates that the drums were removed from the Property, treated, or disposed of and thus has no information regarding where the drums would have been transshipped stored or held.

i. The markings on and type, condition and number of drums when they were stored, disposed, treated, or transported for disposal or treatment.

The EPMI report does not reference the drums being removed, disposed of, or treated. Skinner has no information that indicates that the drums were removed from the Property, treated, or disposed of and thus has no information regarding the markings on the drums or any other information regarding the drums.

j. All tests, analyses, analytical results and manifests concerning any hazardous substance involved in each drum. Please include information regarding who conducted the test and how the test was conducted (batch sampling, representative sampling, splits, composite, etc.)

The EPMI report describes that four empty drums were found on the property and they were marked "by the manufacturer for use in dry cleaning." Skinner has no more information about the empty drums.

k. The final disposition of each of the hazardous substances involved in each drum.

The EPMI report does not reference any hazardous substances "involved" in the drums having been found or disposed of. Skinner does not have any records or information reflecting that the drums contained hazardous substances and thus does not know if or how any hazardous substance from the drums was disposed of.

l. Persons or entities who received the drums from EPMI. Please include their names and contact information.

The EPMI report does not reference the drums being removed, disposed of, or treated. Skinner has no information that indicates that drums were removed from the Property, treated, or disposed of.

m. Any person with whom EPMI made such arrangements.

The EPMI report does not reference the drums being removed, disposed of, or treated. Skinner has no information indicating that the drums were removed from the Property, treated, or disposed of, or with whom EPMI would have made any such arrangements vis-à-vis the drums.

n. Every date when each person described above made such arrangements.

See that answer to the preceding Question.

o. The steps Respondent or other persons, including persons identified above, took to reduce spillage or leakage. Please identify any operational manuals or policies (e.g. a facility's spill control policy) which address the management of spills and leaks.

Skinner assumes this Question pertains to steps to reduce "spillage or leakage" of "hazardous substances" on the Property during the above-referenced investigation by EPMI, and operational manuals or policies which address the management of spills and leaks of "hazardous substances" on the Property during the above-referenced investigation by EPMI. Based on these assumptions, Skinner has no information regarding any such steps or any such manuals or policies.

p. Any amount of money received by Respondent or other persons referred to above for the sale, transfer, or delivery of any of the drums. If the drums were repaired, refurbished, or reconditioned, how much money was paid for this service?

Skinner received no money in connection with the drums and has no information regarding any other party receiving any money in connection with the drums.

85. Identify if any other equipment or hazardous waste found on the Property was removed or disposed of during the 1997 site investigation.

The EPMI report does not reference any equipment or hazardous waste found on the Property having been removed or disposed of during the 1997 site investigation. Skinner has no information that indicates that any such equipment or hazardous substance were removed or disposed of during that work.

a. If so, answer questions 84.a.-p. as they relate to the equipment or hazardous waste.

See the response to the preceding Question.

DECLARATION

I declare under the penalty of perjury that I am authorized to respond on behalf of Respondent, Skinner Corporation, and that the foregoing is complete, true, and correct.

Executed on May 14, 2015.

Victoria Childs
Signature

VICTORIA CHILDS
Type or Print Name

TREASURER
Title